

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: January 31, 1996

SUBJECT: **SB 2244 - HB 2198**

This bill, if enacted, will add a new category of licensees under the Tennessee Residential Lending, Brokerage and Servicing Act, known as the Broker's Agent, and exempts the broker's agent from the \$25,000 capital requirement that other licensees are required to meet.

The fiscal impact from enactment of this bill is estimated to result in an increase in state expenditures of \$22,200 for one position and related expenses.

The fiscal impact from enactment of this bill is also estimated to result in an net increase in state revenue of approximately \$33,075, which represents an increase in state revenue of \$75,000 from a \$250 licensing fee for an estimated 300 licensed broker's agents less a decrease in state revenue of \$41,925 which assumes 43 licensees under the Industrial Loan and Thrift Companies will abandon their licenses and change over to the Mortgage Act as broker's agent licensees.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

